

CHAPTER 234

HIGHER EDUCATION STUDENT LOANS

S. F. 700

AN ACT authorizing the higher education facilities commission to establish a reserve fund to guarantee student loans.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 SECTION 1. Chapter two hundred sixty-one (261), Code 1966, is
2 hereby amended by adding thereto the following new sections:
- 3 1. "The commission may establish a student loan reserve fund and
4 receive moneys from federal, state, or private sources to guarantee
5 payment of loans made by eligible lending institutions to student resi-
6 dents of the state of Iowa who are enrolled or accepted for enrollment
7 at any eligible institution under the provisions of the 'Higher Educa-
8 tion Act of 1965' (PL 89-329), [79 Stat. L. 1219; 20 U.S.C. 1001], the
9 'National Vocational Student Loan Insurance Act of 1965' (PL 89-
10 287), [79 Stat. L. 1037; 20 U.S.C. 981] or any amendments thereto
11 which are in effect on June 1, 1967.
- 12 2. "The commission may:
- 13 "1. Contract, sue and be sued, and promulgate rules and regulations
14 necessary to carry out the provisions of this Act, but the commission
15 shall not in any manner directly or indirectly pledge the credit of the
16 state of Iowa.
- 17 "2. Appoint such executive and other assistants and employees
18 deemed necessary and fix their compensation within the limits of
19 available appropriations and funds designated for administration of
20 this Act.
- 21 "3. Authorize payment from the student loan reserve fund and from
22 any income received by investments of moneys in the fund for dis-
23 bursement, costs, commissions, attorney fees, and other reasonable
24 expenses related to and necessary for making and protecting guaran-
25 teed loans and the recovery of moneys, loans, or management of prop-
26 erty acquired in connection with such loans."
- 27 3. "Any contract, promissory note, or other written obligation made
28 by any minor to repay or secure payment of a loan made under this
29 Act, payment of which is guaranteed* by the commission, or which
30 forms part of the same transaction as the making of such loan shall
31 notwithstanding any provision of law to the contrary be as valid and
32 binding as if the person were twenty-one (21) years of age or older
33 at the time the obligation was made and executed. Obligations may be
34 enforced in any action or proceeding by or against such person in the
35 person's own name and shall be valid without the consent thereto of
36 the parent or guardian of such person. Such person shall not in any
37 action or proceeding arising out of any such loan disaffirm such instru-
38 ment because of his age nor shall any person interpose the defense
39 that he is, or was, a minor at the time of making and executing the
40 instrument."
- 41 4. "The assets of the student loan reserve fund shall only be used to
42 guarantee* loans to student residents of the state of Iowa, purchase
43 promissory notes evidencing such loans as may be in default, refund

*According to enrolled Act.

44 overpayment of fees on such loans when appropriate, and repay such
45 advances made by the United States commissioner of education except
46 that fees, interest, and other earnings of the fund may also be used
47 for expenditures attributable to the necessary, proper, and efficient
48 administration of such loans."

Approved June 16, 1967.

CHAPTER 235

REVENUE BONDS FOR UNIVERSITY BUILDINGS

S. F. 532

AN ACT authorizing the state board of regents to acquire by gift, purchase, lease or construction and to reconstruct, complete, equip, improve, repair, remodel, operate, control, maintain and manage medical and hospital buildings and facilities, and additions to such buildings and facilities, for the use of the hospitals and medical clinics of the state university of Iowa, to acquire and improve property therefor, and to borrow money and issue bonds or notes payable solely from income received by said hospitals and clinics, and to refund bonds, notes or other obligations payable from such revenues.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. The following words or terms, as used in this Act,
2 shall have the respective meanings as stated:

3 1. "Board" shall mean the state board of regents.

4 2. "Institution" shall mean the state university of Iowa.

5 3. "Buildings and facilities" shall mean buildings to be used pri-
6 marily for service, clinical instructional and clinical research purposes
7 in the field of medicine with particular emphasis on the family prac-
8 tice of medicine and such other facilities as are deemed necessary by
9 the board to support and carry out the service, instructional, and re-
10 search objectives of the hospitals, medical clinics, and medical service
11 laboratories of the institution, including, without limiting the gener-
12 ality of the foregoing, hospital buildings, clinic buildings, laboratory
13 buildings, clinical staff facilities, building for housing interns, resident
14 physicians and nurses, and medical record and film storage buildings,
15 or any combination thereof.

16 4. "Project" shall mean the acquisition by gift, purchase, lease, or
17 construction of buildings and facilities and additions to such buildings
18 and facilities, the reconstruction, completion, equipment, improve-
19 ment, repair, or remodeling of buildings and facilities, including the
20 demolition of existing buildings and facilities which are to be replaced,
21 and the acquisition of property of every kind and description, whether
22 real, personal or mixed, for buildings and facilities by gift, purchase,
23 lease, condemnation, or otherwise and the improvement of the same
24 or any combination of the foregoing.

25 5. "Hospital income" shall mean the income and funds received by
26 the hospitals, medical service clinics, and medical service laboratories
27 of the state university of Iowa, including the proceeds of rates, fees,
28 and charges for services rendered by said hospitals, clinics, and labora-
29 tories, but excluding state appropriations to the institution.